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— **reprox** —  
CORPORATION

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*Gene Breier*

REPORT FOR THE SIX MONTH PERIOD  
ENDING JUNE 30th, 1972



# PROGRESS REPORT

## TO SHAREHOLDERS:

As the result of intensified retail sales activity, we are again pleased to report earnings for the second quarter of 1972, ending June 30th.

In the second quarter of this year, we have achieved an all-time record net profit of \$63,490, realizing unaudited earnings per share of 10.6¢. This produces total earnings of 20.8¢ per share for the six month period.

During the last quarter, our heavy expansion programs have been reinforced. Two new branch offices have been opened to service retail photocopy accounts in Ottawa and Sherbrooke. This brings our present sales and service outlet total to six. Further expansion in this area is planned.

In addition, new product lines have been introduced by Richelieu Industries Ltd. (Tinseltcraft); as you will recall, we announced this acquisition in our first quarter report. The company has purchased some of the most modern, high-speed, multi-colour hot stamping and die-cutting equipment. This machinery has recently been introduced to the company's production line, giving rise to a substantial increase in sales volume for the latter half of this year.

The Total Copy Plan, introduced to you last quarter, has been an unqualified success. Our rate of placing machines has closely followed our marketing plan, and we are now a leader in offering to business a complete, total copy service for the office.

Also notable is the fact that sales in the graphic arts division have almost doubled.

We are presently pursuing several new acquisitions and announcements of completed arrangements should be forthcoming soon.

*Ian C. Gordon*

Ian C. Gordon  
President

*Peter J. Gruber*

Peter J. Gruber  
Chairman of the Board



## CONSOLIDATED STATEMENT OF OPERATIONS FOR THE SIX MONTH PERIOD ENDING JUNE 30, 1972 (Not Audited)

|                           | 1st Quarter<br>January 1 - March 31/72 | 2nd Quarter<br>April 1 - June 30/72 | Six Month Combined<br>Operations |
|---------------------------|----------------------------------------|-------------------------------------|----------------------------------|
| <u>SALES</u>              | \$ 361,301                             | \$ 334,371                          | \$ 695,672                       |
| <u>COST OF GOODS SOLD</u> | 213,414                                | 162,384                             | 375,798                          |
| <u>GROSS PROFIT</u>       | 147,887                                | 171,987                             | 319,874                          |
| <u>OPERATING EXPENSES</u> | 86,344                                 | 108,497                             | 194,841                          |
| <u>NET PROFIT</u>         | \$ 61,543                              | 63,490                              | 125,033                          |

EARNINGS PER SHARE, based on 601,500 shares outstanding

|                       |                 |
|-----------------------|-----------------|
| First Quarter -       | 10.2¢ per share |
| Second Quarter -      | 10.6¢ per share |
| Six Months Earnings - | 20.8¢ per share |

601,500

## Notes

1. This statement is unaudited and subject to year-end adjustments.
2. A comparison with the half ending June 30, 1971 is not available due to the change in the nature of the company's operations in 1971.
3. No income tax is payable in view of tax losses carried forward from previous fiscal periods.